

**PERFORMANCE BOND AGREEMENT  
SECURED WITH LENDING INSTITUTION  
MICHAEL J. CONNOLLY and LYNDIA M. CONNOLLY/TOWN OF WELLESLEY**

This Performance Bond Agreement made this \_\_\_\_ day of \_\_\_\_\_, 2007, by and among Michael J. Connolly and Lynda M. Connolly, 42 Cerdan Avenue, Roslindale, MA 02131, their successors and assigns, (the "Owner"), and the Town of Wellesley, Massachusetts, a municipal corporation of the Commonwealth of Massachusetts (the "Town"), acting by and through its Board of Selectmen (the "Selectmen"), and \_\_\_\_\_ Bank (the "Lender").

Whereas, on May 1, 2007 the Owner and the Town executed a Development Agreement (the "Development Agreement") concerning the property owned by the Owners at the intersection of Washington Street and Hillside Road in the Town of Wellesley, (the Property) reference to which Development Agreement being hereby made and which is hereby incorporated by reference; and

Whereas, subsequent to the execution of said Development Agreement the Wellesley Town Meeting did vote to rezone the property as therein provided, which rezoning has now become final; and

Whereas, the Owner has now applied for a construction loan with the lender and for building permit from the Town (the building permit) to commence construction of the Project (the Project) as defined in the Development Agreement, and

Whereas said Development Agreement provides that a Performance Bond Agreement establishing a Line of Credit shall be obtained.

NOW, THEREFORE, in consideration of the foregoing and the undertakings hereinafter made, the parties agree as follows:

1. The Owner has established a Line of Credit with the Bank in the amount of \$\_\_\_\_\_, said amount being at least equal to the amount certified to the Wellesley Building Department as the total construction cost plus Three Hundred Ten Thousand (\$310,000.) dollars plus the additional amount of Five Hundred Thousand (\$500,000.) dollars.

2. The Bank hereby confirms the same.

3. The Owner hereby agrees irrevocably that if the Project is not completed within eighteen (18) months from the date of issuance of the building permit, the Town shall be, and hereby is, authorized to access said Line of Credit for the purpose of completing the construction of the Project.

3. The Chairman of the Board of Selectmen is hereby irrevocably designated and appointed with full authority to access and draw on the Line of Credit pursuant to the terms of

this Performance Bond Agreement. The Owner hereby authorizes and instructs the Bank to acknowledge said Chairman's withdrawal(s) without further inquiry, and hereby releases the Bank without recourse upon doing so.

4. Upon the Town determining that the Project has been completed (to be evidenced by the Town's issuance of certificates of occupancy for the four residential units contained in the Project) and the landscaping, the interest of the Town in the Line of Credit shall expire.

5. The Bank hereby acknowledges the Town's reliance on the foregoing as consideration for the Town entering into the Development Agreement and certifies that the Line of Credit referred to herein has been established, and that it will act without hindrance or delay on any application for some or all of the funds within the Letter of Credit as applied for by the Chairman of the Board of Selectmen.

6. This Performance Bond Agreement may not be changed or amended in any way except upon the approvals of the Owner, the Bank and the Town.

Executed as a sealed instrument the day and year first above written.

The Owners:

The Town, acting by and through its  
Board of Selectmen,  
By:

\_\_\_\_\_  
Michael J. Connolly

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Lynda M. Connolly

The Bank, by the undersigned officer, who in signing this Performance Bond Agreement certifies he/she is hereunto duly authorized.

\_\_\_\_\_  
Name and Title

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, 2007, before me, the undersigned notary public, personally appeared Michael J. Connolly and Lynda M. Connolly, proved to me through satisfactory evidence of identification, being (check whichever applies): ( ) driver=s license or ( ) other state or federal governmental document bearing a photographic image, ( ) oath or affirmation of credible witness known to me who knows the above signatories, or ( ) my own personal knowledge of the identity of the signatories, to be the persons whose name is signed above, and acknowledged the foregoing to be signed by them voluntarily for its stated purpose.

Notary Public \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, 2007, before me, the undersigned notary public, personally appeared \_\_\_\_\_ on behalf of \_\_\_\_\_ Bank , proved to me through satisfactory evidence of identification, being (check whichever applies): ( ) driver=s license or ( ) other state or federal governmental document bearing a photographic image, ( ) oath or affirmation of credible witness known to me who knows the above signatory, or ( ) my own personal knowledge of the identity of the signatory, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him/her on behalf of said \_\_\_\_\_ Bank, voluntarily for its stated purpose.

\_\_\_\_\_  
Notary Public  
My Commission Expires

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